



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**LARRY B. MARTIN
COMMISSIONER**

FOR IMMEDIATE RELEASE
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APRIL REVENUES

NASHVILLE – Tennessee revenue collections in April ended with a net positive growth over a year ago. Finance and Administration Commissioner Larry Martin reported today that overall April revenues were \$1.5 billion or \$74.7 million more than the state budgeted. It represents growth of 0.96% over April 2013.

“Total reported collections in April were significantly skewed by a change in the law which affected the due date for business tax payments,” Martin said. “The tax due date is now tied to the taxpayer’s fiscal year, meaning that tax payments for over 90 percent of businesses subject to the tax were due on April 15. Previously, the taxes were paid periodically throughout the year, depending on business classifications.

“We will end this year with a balanced budget, but it will require us to continue monitoring revenue and expenditure patterns.”

On an accrual basis, April is the ninth month in the 2013-2014 fiscal year.

The general fund was over collected by \$69.8 million, and the four other funds were over collected by \$4.9 million.

Sales tax collections were \$4.8 million more than the budgeted estimate for April. The April growth rate was positive 4.04%. For nine months revenues are under collected by \$18.6 million. The year-to-date growth rate for nine months was positive 3.64%.

Franchise and excise taxes combined were \$4.9 million above the budgeted estimate of \$454.2 million. For nine months revenues are \$222.0 million below the budgeted estimate. The year-to-date growth rate August through April was negative 10.28%.

Inheritance and estate tax collections were \$1.5 million above the April estimate. For nine months collections are \$19.1 million above the budgeted estimate.

Privilege tax collections were \$3.3 million less than the April budgeted estimate, and for nine months collections are \$10.4 million below the budgeted estimate. The year-to-date growth rate for the nine month period was positive 3.28%.

Hall income tax collections for April were \$37.8 million more than the budgeted estimate. For nine months collections are \$35.1 million above the budgeted estimate.

Business tax collections were over collected by \$35.1 million due to a change in the law which went into effect January 1, 2014. The new law changed the due date of the tax payments to coincide with the fiscal year of each business subject to the tax.

Gasoline and motor fuel collections for April decreased by 9.20%, and were \$4.5 million less than the budgeted estimate. The growth rate for nine months was positive 0.03%, and collections are \$1.3 million below the budgeted estimate of \$617.9 million.

Tobacco tax collections were \$0.2 million under the budgeted estimate of \$22.5 million. For nine months revenues are under collected in the amount of \$7.1 million.

All other taxes for April were under collected by a net of \$1.4 million.

Year-to-date collections for nine months were \$182.3 million less than the budgeted estimate. The general fund was under collected by \$194.0 million and the four other funds were over collected by \$11.7 million.

The budgeted revenue estimates for 2013-2014 are based on the State Funding Board's consensus recommendation of December 19th, 2012 and adopted by the first session of the 108th General Assembly in April 2013. They are available on the state's website at <http://www.tn.gov/finance/bud/Revenues.shtml>.

The Funding Board met on December 10, 2013, to hear updated revenue projections from the state's various economists. The board met again on December 17 and adopted revised revenue ranges for 2013-2014. The revised ranges assume an under collection from the July 2013 budgeted estimate in the amount of \$111.2 million to \$134.5 million in total taxes and in the amount of \$126.1 million to \$145.6 million in general fund taxes for the current fiscal year.

Table 1
Revenue Collections by Fund
April
2013-2014

Fund	2014				2013	2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$1,294,206,000	\$1,224,377,000	\$69,829,000	5.70%	\$1,265,721,000	\$28,485,000	2.25%
Highway Fund	60,954,000	67,647,000	(6,693,000)	-9.89%	70,977,000	(10,023,000)	-14.12%
Sinking Fund	34,606,000	34,570,000	36,000	0.10%	33,718,000	888,000	2.63%
City & County Fund	137,475,000	125,968,000	11,507,000	9.13%	142,213,000	(4,738,000)	-3.33%
Earmarked Fund	2,899,000	2,900,000	(1,000)	-0.03%	2,899,000	0	0.00%
Total	\$1,530,140,000	\$1,455,462,000	\$74,678,000	5.13%	\$1,515,528,000	\$14,612,000	0.96%

Revenue Collections by Tax
April
2013-2014

Tax Source	2014				2013	2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$459,128,000	\$454,200,000	\$4,928,000	1.08%	\$472,079,000	(\$12,951,000)	-2.74%
Income	201,610,000	163,858,000	37,752,000	23.04%	221,381,000	(19,771,000)	-8.93%
Inheritance & Estate	8,371,000	6,895,000	1,476,000	21.41%	5,197,000	3,174,000	61.07%
Gasoline	47,538,000	50,789,000	(3,251,000)	-6.40%	54,182,000	(6,644,000)	-12.26%
Petroleum Special	5,007,000	5,365,000	(358,000)	-6.67%	5,460,000	(453,000)	-8.30%
Tobacco	22,367,000	22,517,000	(150,000)	-0.67%	26,161,000	(3,794,000)	-14.50%
Beer	1,492,000	1,344,000	148,000	11.01%	1,414,000	78,000	5.52%
Motor Vehicle Registration	30,296,000	30,412,000	(116,000)	-0.38%	29,895,000	401,000	1.34%
Motor Vehicle Title	1,107,000	1,245,000	(138,000)	-11.08%	1,133,000	(26,000)	-2.29%
Mixed Drink	6,874,000	6,484,000	390,000	6.01%	6,550,000	324,000	4.95%
Business	39,887,000	4,812,000	35,075,000	728.91%	4,454,000	35,433,000	795.53%
Privilege	20,809,000	24,138,000	(3,329,000)	-13.79%	26,636,000	(5,827,000)	-21.88%
Gross Receipts	67,000	77,000	(10,000)	-12.99%	53,000	14,000	26.42%
TVA - In Lieu of Tax Payments	27,076,000	28,410,000	(1,334,000)	-4.70%	27,297,000	(221,000)	-0.81%
Alcoholic Beverage	4,489,000	4,872,000	(383,000)	-7.86%	4,599,000	(110,000)	-2.39%
Sales and Use	638,403,000	633,600,000	4,803,000	0.76%	613,604,000	24,799,000	4.04%
Motor Vehicle Fuel	15,392,000	16,255,000	(863,000)	-5.31%	15,176,000	216,000	1.42%
Severance	219,000	184,000	35,000	19.02%	231,000	(12,000)	-5.19%
Coin-operated Amusement	8,000	5,000	3,000	60.00%	26,000	(18,000)	-69.23%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$1,530,140,000	\$1,455,462,000	\$74,678,000	5.13%	\$1,515,528,000	\$14,612,000	0.96%

Table 2
Revenue Collections by Fund
Year-to-Date
August - April
2013-2014

Fund	2013 - 2014				2012-2013	2013-2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$7,262,192,000	\$7,456,224,000	(\$194,032,000)	-2.60%	\$7,235,578,000	\$26,614,000	0.37%
Highway Fund	507,508,000	513,331,000	(5,823,000)	-1.13%	514,427,000	(6,919,000)	-1.34%
Sinking Fund	308,521,000	308,760,000	(239,000)	-0.08%	300,979,000	7,542,000	2.51%
City & County Fund	688,284,000	670,535,000	17,749,000	2.65%	672,818,000	15,466,000	2.30%
Earmarked Fund	26,099,000	26,100,000	(1,000)	0.00%	26,101,000	(2,000)	-0.01%
Total	\$8,792,604,000	\$8,974,950,000	(\$182,346,000)	-2.03%	\$8,749,903,000	\$42,701,000	0.49%

Revenue Collections by Tax
Year-to-Date
August - April
2013-2014

Tax Source	2013 - 2014				2012-2013	2013-2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$1,411,302,000	\$1,633,300,000	(\$221,998,000)	-13.59%	\$1,572,984,000	(\$161,682,000)	-10.28%
Income	229,278,000	194,181,000	35,097,000	18.07%	255,944,000	(26,666,000)	-10.42%
Inheritance & Estate	82,353,000	63,231,000	19,122,000	30.24%	72,160,000	10,193,000	14.13%
Gasoline	450,255,000	451,248,000	(993,000)	-0.22%	453,789,000	(3,534,000)	-0.78%
Petroleum Special	46,299,000	46,997,000	(698,000)	-1.49%	46,519,000	(220,000)	-0.47%
Tobacco	194,384,000	201,434,000	(7,050,000)	-3.50%	204,353,000	(9,969,000)	-4.88%
Beer	12,895,000	12,780,000	115,000	0.90%	13,194,000	(299,000)	-2.27%
Motor Vehicle Registration	194,983,000	192,609,000	2,374,000	1.23%	192,162,000	2,821,000	1.47%
Motor Vehicle Title	8,849,000	9,616,000	(767,000)	-7.98%	8,488,000	361,000	4.25%
Mixed Drink	55,427,000	53,062,000	2,365,000	4.46%	51,161,000	4,266,000	8.34%
Business	101,198,000	73,835,000	27,363,000	37.06%	71,032,000	30,166,000	42.47%
Privilege	180,271,000	190,641,000	(10,370,000)	-5.44%	174,546,000	5,725,000	3.28%
Gross Receipts	12,146,000	14,836,000	(2,690,000)	-18.13%	11,265,000	881,000	7.82%
TVA-In Lieu of Tax Payments	250,878,000	257,469,000	(6,591,000)	-2.56%	255,492,000	(4,614,000)	-1.81%
Alcoholic Beverage	40,717,000	40,257,000	460,000	1.14%	38,997,000	1,720,000	4.41%
Sales and Use	5,399,301,000	5,417,900,000	(18,599,000)	-0.34%	5,209,779,000	189,522,000	3.64%
Motor Vehicle Fuel	120,024,000	119,659,000	365,000	0.31%	116,074,000	3,950,000	3.40%
Severance	1,875,000	1,798,000	77,000	4.28%	1,834,000	41,000	2.24%
Coin-operated Amusement	149,000	97,000	52,000	53.61%	126,000	23,000	18.25%
Unauthorized Substance	20,000	0	20,000	NA	4,000	16,000	NA
Total	\$8,792,604,000	\$8,974,950,000	(\$182,346,000)	-2.03%	\$8,749,903,000	\$42,701,000	0.49%